MediPharm Labs Reports Q3 2026 Results with Second Consecutive Quarter of Positive Net Income and 18% Sequential Revenue Growth

- Net Income was positive for the second consecutive quarter, and Adjusted EBITDA[1] positive for its third consecutive quarter.
- Net Revenue of $11.8M increased 18% versus Q2 2026, with German revenue increasing 19% sequentially and 81% year over year
- OPEX decreased 25% versus Q3 2025 and 11% versus Q2 2026
- Cash of $10.1M, increased from $9.9M in Q2 2026; the Company remains virtually debt free, with outright ownership of two production facilities appraised at over $15M
- Management to Host Conference Call / Webcast on November 12th, 2026, at 10:00 am ET

TORONTO, November 12th, 2026 - MediPharm Labs Corp. (TSX: LABS) (OTCQB: MEDIF) (FSE: MLZ) ("MediPharm", "MediPharm Labs" or the "Company"), a pharmaceutical company specialized in precision-based cannabinoids, today announced its financial results for the three and nine months ended September 30, 2026 ("Q3 2026").

MediPharm Labs generated its third consecutive quarter of positive Adjusted EBITDA and achieved positive net income for the second consecutive quarter. Revenue increased 18% versus the three months ended June 30, 2026 ("Q2 2026"), and revenue, gross profit and Adjusted EBITDA were all higher than in the three months ended September 30, 2025 ("Q3 2025"). More than 80% of revenue for the nine months ended September 30, 2026, was generated through prescription-based medical channels and over 55% of revenue was generated through international channels.

“Q3 demonstrates the progress we are making in building a stronger and more profitable MediPharm,” said Greg Hunter, CEO of MediPharm Labs. “We delivered one of our strongest revenue quarters in recent years, achieved positive net income for the second consecutive quarter and generated our third consecutive quarter of positive Adjusted EBITDA. Importantly, more than 80% of our revenue is now generated through prescription-based medical channels, reflecting MediPharm’s deep experience in global medical and pharmaceutical cannabis. Our differentiated regulatory and manufacturing platform continues to translate into international growth and improved commercial results.”

Financial Highlights

- Revenue of $11.8 million increased 18% versus Q2 2026, driven by growth in International Medical.
- Gross profit of $3.8 million, an increase of 27% versus Q3 2025. Gross margin was 32%, compared with 26% in Q3 2025
- Q3 2026 Adjusted EBITDA[1] of $0.4 million, an improvement of $1.5 million versus Q3 2025.
- Net income improved $2.3 million versus Q3 2025, to positive net income of $112K in Q3 2026.
- Operating expenses decreased 25% versus Q3 2025 and 11% versus Q2 2026.
- For the nine months ended September 30, 2026, Adjusted EBITDA was $1.4 million, an improvement of $2.9 million versus the prior-year period.

	Three months ended			
	30-Sep-26	30-Jun-26	31-Mar-26	31-Dec-25
	$'000s	$'000s	$'000s	$'000s
Revenue	11,802	9,984	8,963	11,062
Gross profit (c)	3,806	4,312	3,322	4,275
% Sales	32%	43%	37%	39%
Opex (a)	(3,585)	(4,016)	(4,164)	(5,800)
Adjusted EBITDA (b)	**442**	**894**	**103**	**(144)**

(a) Opex includes general administrative expense, marketing and selling expenses and R&D expenses.
(b) Adjusted EBITDA is a non-IFRS financial measure. See "Non-IFRS Measures".
(c) Comparative figures have been reclassified for a change in the classification of patient education fees and differ from those previously reported.

Operational and Commercial Highlights

International Medical

- International Medical revenue was $6.9 million, an increase of 20% versus Q2 2026 and 59% of total revenue.
- In Germany, revenue increased 19% versus Q2 2026 and 81% versus Q3 2025, supported by demand across flower, oil and dronabinol and the expansion of the MediPharm branded portfolios, Beacon Medical and Wildlife.
- Revenue from other international markets increased to $1.8 million from $0.7 million in Q2 2026, with growth in the UK and in Brazil, where the Company's products launched through national pharmacy channels.
- In Australia, the Company refreshed its Beacon Medical portfolio, expanded Wildlife into the value segment and broadened its distribution as the market continues to adjust to changes in prescribing practices and pricing.
- As previously announced, the Phase II LiBBY trial, which used a proprietary cannabinoid formulation manufactured by MediPharm Labs for agitation in patients with advanced dementia, met its primary endpoint, with statistically significant improvement as early as two weeks. The Company is evaluating potential next steps, including additional clinical development opportunities, regulatory pathways and strategic partnerships.
- Subsequent to quarter end, MediPharm advanced its international inhaler commercialization program with its first commercial shipment of CBD metered-dose inhalers to Panama. The Company has also received a notified-body opinion for its metered-dose inhaler, a regulatory milestone that supports the pathway toward future commercialization in the UK and European Union.

Canada

- Canadian Medical Cannabis revenue was stable sequentially at $2.3 million and consistent with Q2 2026. The Company continues to prioritize service levels and product access in the face of Veterans Affairs April 1 reimbursement rate changes. Revenue declined versus Q3 2025, reflecting the 30% reduction (from $8.50 to $6.00 per gram) in the maximum reimbursement rate for Veterans Affairs Canada clients. In addition, Harvest Medicine reached a new high in active Veteran patients during the quarter.
- In Adult Use and Wellness, the Company launched new Pocket Drops in Ontario and Alberta, with additional line extensions confirmed for Q4 2026, and maintained its number two national brand position in adult use traditional oils[3].

Strong Balance Sheet with Cash increasing Sequentially

Cash increased to $10.1 million from $9.9 million in Q2 2026. MediPharm Labs strong balance sheet continues to differentiate the company from many industry peers and provides flexibility to fund both organic growth and selective M&A opportunities as the industry continues to evolve. The Company remains virtually debt free, with outright ownership of two licensed production facilities with a combined appraised value of more than $15M, and is current on excise duties, sales taxes and trade payables.

Q3 2026 Financial Results Conference Call / Webcast

MediPharm Labs will host a conference call and webcast on November 12th, 2026, at 10:00 am (Eastern time) to discuss the Company's financial results. The conference call dial in details are as follows:

Conference Call Dial in Details:
United States Toll-Free: (833) 461-5787
Canada Toll-Free: (833) 769-6440
International: dial-in numbers are available here.
Meeting ID: 571066887
Participants are asked to dial in approximately 15 minutes before the start of the call.

Webcast:
A webcast will be available by visiting the following link here.

For those who are unable to participate on the live conference call or webcast, a replay will be available at https://www.medipharmlabs.com/investors approximately one day after completion of the call.

The Company's unaudited condensed interim consolidated financial statements and management's discussion and analysis for the three and nine months ended September 30, 2026, are available under the Company's profile on SEDAR+ at www.sedarplus.ca. Readers should review those documents in full.

About MediPharm Labs

Founded in 2015, MediPharm Labs specializes in the development and manufacture of purified, pharmaceutical-quality cannabis concentrates, active pharmaceutical ingredients (API) and advanced derivative products utilizing a Good Manufacturing Practices certified facility with ISO standard-built clean rooms. MediPharm Labs has invested in an expert, research driven team, state-of-the-art technology, downstream purification methodologies and purpose-built facilities for delivery of pure, trusted and precision-dosed cannabis products for its customers. MediPharm Labs develops, formulates, processes, packages and distributes cannabis and advanced cannabinoid-based products to domestic and international medical markets.

In 2021, MediPharm Labs received a Pharmaceutical Drug Establishment Licence from Health Canada, becoming the only company in North America to hold a commercial-scale domestic Good Manufacturing Practices Licence for the extraction of multiple natural cannabinoids. This GMP licence was the first step in the Company's current foreign drug manufacturing site registration with the US FDA. MediPharm also has EU-GMP certification, ANVISA GMP certification from Brazil and TGA compliance in Australia.

In 2023, MediPharm acquired VIVO Cannabis Inc. which expanded MediPharm's reach to medical patients in Canada via Canna Farms medical e-commerce platform, and in Australia and Germany through Beacon Medical PTY and Beacon Medical GmbH. This acquisition also included Harvest

Medical Clinics in Canada which provides medical cannabis patients with physician consultations for medical cannabis education and prescriptions.

The Company carries out its operations in compliance with all applicable laws in the countries in which it operates.

Website: www.medipharmlabs.com
SOURCE MediPharm Labs Corp.

For further information, please contact:
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Notes and References

1. Adjusted EBITDA is a non-IFRS financial measure. See "Non-IFRS Measures" below for a definition and a reconciliation to net operating income (loss), the most directly comparable IFRS measure.
2. Based on the Company's reported quarterly Adjusted EBITDA results for Q1 2026, Q2 2026 and Q3 2026. See "Non-IFRS Measures" below.
3. As reported in HiFyre Retail analytics ingestible oils – July to September 2026.

Non-IFRS Measures

This press release contains references to "Adjusted EBITDA" which is a non-IFRS financial measure. Management believes that this supplementary non-IFRS financial measure provides useful additional information related to the operating results of the Company. This non-IFRS financial measure is not recognized under IFRS and, accordingly, users are cautioned that this measure should not be construed as an alternative to net income (loss) and gross profit determined in accordance with IFRS as measures of profitability or as alternatives to the Company's IFRS-based Financial Statements. The non-IFRS measure presented may not be comparable to similar measures presented by other issuers. Adjusted EBITDA is a measure of the Company's overall financial performance and is used as an alternative to earnings or income in some circumstances. Adjusted EBITDA is essentially net income (loss) with interest, taxes, depreciation and amortization, non-cash adjustments and other unusual or non-recurring items added back in. Adjusted EBITDA has limitations as an analytical tool as it does not include depreciation and amortization expense, interest income and expense, finance fees, gain in revaluation of derivative liabilities, taxes, government grants including rent and wage subsidies, one-off transactions, impairment losses on inventory and on fixed assets and intangibles, write down of deposits and share-based compensation. Because of these limitations, Adjusted EBITDA should not be considered as the sole measure of the Company's performance and should not be considered in isolation from, or as a substitute for, analysis of the Company's results as reported under IFRS. Adjusted EBITDA, as used within the Company's disclosure, may not be directly comparable to Adjusted EBITDA used by other reporting issuers. Adjusted EBITDA does not have a standardized meaning and the Company's method of calculating such non-IFRS measure may not be comparable to calculations used by other companies bearing the same description.

The following table reconciles the Company's net operating income (loss) (as reported), and Adjusted EBITDA for the periods presented:

	Three months ended			
	30-Sep-26	30-Jun-26	31-Mar-26	31-Dec-25
	$'000s	$'000s	$'000s	$'000s
Net operating profit/(loss)	79	(34)	(912)	(2,007)
Adjusted for:				
Share-based compensation expense	103	440	154	211
Depreciation and amortization	339	384	382	396
Restructuring related severance expenses	-	23	121	942

Incremental cost of cannabis inventory acquired in a business combination (a)	-	116	9	7
Fair value adjustments in gross profit	(53)	(19)	148	(127)
Miscellaneous (d)	(26)	(16)	171	138
AGM related proxy fees (b)	-	-	18	162
Transaction costs (c)	-	-	12	134
Adjusted EBITDA	**442**	**894**	**103**	**(144)**

(a) This represents the fair value realized on sale of cannabis inventory acquired in a business combination.
(b) This relates to certain fees and expenses associated with the proxy contest in connection with the Company's annual shareholder meeting held June 16, 2025, and ongoing legal expenses related to the Apollo Claim.
(c) This includes non-recurring fees, expenses associated with the evaluation of potential mergers and acquisitions, and fees related to reorganization of legal entities.
(d) This relates to unusual, non-recurring transactions that are not reflective of the Company's ongoing operating performance.

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate to, among other things, management's ability to continue to grow international medical and pharmaceutical and B2B revenue and reduce costs to drive growth and long-term value for the Company; MediPharm's ability to continue to supply international medical cannabis markets, including Germany, the United Kingdom, Brazil, New Zealand, France and Australia; the regulatory pathway for, and future commercialization of, the Company's metered-dose inhaler in the United Kingdom, the European Union and Panama; the future of MediPharm's foreign drug manufacturing site registration; the effects of the Veterans Affairs Canada reimbursement change and management's mitigation initiatives; the expected annualized savings from restructuring initiatives; the appraised value of the Company's production facilities; the launch of new product formats, line extensions and provincial listings; product optimization and improvement of production efficiencies; the Company's evaluation of selective merger and acquisition opportunities; and MediPharm's path to sustained Adjusted EBITDA and cash flow positive results. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the inability of MediPharm to obtain adequate financing; the delay or failure to receive regulatory approvals; changes in government reimbursement programs; changes in prescribing behaviour, pricing and regulatory enforcement in the markets in which the Company operates; dependence on a limited number of significant customers; and other factors discussed in MediPharm's filings, available on the SEDAR+ website at www.sedarplus.ca. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, MediPharm assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.